OFFICE OF THE MERIT COMMISSIONER

Province of British Columbia

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2003/2004 Annual Report

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OFFICE OF THE MERIT COMMISSIONER

2003/2004 Annual Report

Province of British Columbia

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OFFICE OF THE
MERIT COMMISSIONER

E. George MacMinn, Q.C.
Clerk
Legislative Assembly of British Columbia
Victoria, B.C.
V8V 1X4

Sir:

I have the honour to file the 2003/2004 Annual Report of the Office of the Merit Commissioner to the Legislative Assembly, in accordance with the provisions of section 5.2 of the *Public Service Act*. This report is for the period from April 1, 2003 to March 31, 2004.

Respectfully submitted,

Diane Rabbani
Merit Commissioner

Victoria, British Columbia
May 2004

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OFFICE OF THE
MERIT COMMISSIONER

From The Merit Commissioner

The Office of the Merit Commissioner was established in 2001 to fulfill the government's commitment to restore and rebuild a strong, professional, vibrant and non-partisan public service.

Under legislation passed in 2001, the Merit Commissioner is responsible for overseeing the application of the merit principle in the BC public service.

The role of the Merit Commissioner is to monitor appointments to, and from within, the public service to ensure that they are based on merit – that people appointed are qualified and competent to do the job with no regard to political or other affiliation.

To achieve this vision, random audits of appointments are undertaken on an annual basis. A summary of the results of these audits are reported by way of the Annual Report.

This past year has involved a significant shift in the approach to staffing in the public service. The BC Public Service Agency was formed and became operational April 1, 2003 to support a cultural shift to a more simplified, flexible and open approach to better meet the Government's business needs.

The new recruitment, selection and appointment approach to staffing moves to an outcome-based staffing process.

Legislative changes were introduced as amendments to BC's *Public Service Act*, policies were revised and an action plan developed to implement the new staffing process.

On December 1, 2003, the legislative changes took effect. The Office of the Merit Commissioner undertook additional responsibilities by reviewing the application of merit as the final step in the staffing review process. An independent staffing review ensures integrity, accountability and supports the flexible, innovative and expedient merit-based process designed to ensure the attraction of the right person to the right job.

On August 27, 2001, the Legislative Assembly passed legislation amending the Public Service Act to establish the Office of the Merit Commissioner.

The Merit Commissioner and Deputy Minister responsible for the BC Public Service Agency is appointed by the Lieutenant Governor and Council for a three-year term on the recommendation of the Legislative Assembly. The Legislative Assembly may only recommend an individual unanimously recommended by a special committee of the Assembly.

The Merit Commissioner must report annually to the Legislative Assembly concerning the Merit Commissioner's activities under the Act since the last report was made.

I support these changes. The review will place the focus of staffing on the outcome, not the process. It will be the final step for employees who are unsuccessful on an appointment to a position in the bargaining unit, and replaces the former appeal process administered by the Public Service Appeal Board. These changes apply to positions posted on or after December 2, 2003.

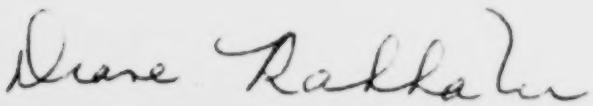
As a result of these legislative and cultural changes, my office will be working with the Internal Audit and Advisory Services Branch of the Office of the Comptroller General to re-design the methodology and approach used to assess the application of merit for the appointments identified as part of the 2004/2005 audit.

In the 2002/2003 Annual Report, the Merit Commissioner indicated that public service attitudes and perceptions respecting the application of the merit principle would be re-assessed and compared to the January, 2002 benchmark "as more normal circumstances resume". Now that the three-year period of workforce adjustment is complete, we will assess the appropriate timing and methodology of re-surveying the public service.

Staffing in the public service continues to be based on the principle of merit and, as Merit Commissioner, I will continue to provide oversight to support this principle in public service appointments.

This is the third annual report produced by the Office of the Merit Commissioner and covers activities of the office from April 1, 2003 to March 31, 2004.

A competent, professional and non-partisan public service which is committed to the fundamental values inherent in the public service as a whole – impartiality, fairness, transparency – remains the vision of all British Columbians.



Diane Rabbani
Merit Commissioner

Victoria, British Columbia
May 2004

Public Service Staffing System — Accountabilities

BC Public Service Agency — sets staffing policies and procedures and provides staffing support and consultation to clients.

Ministries — responsible for the first two steps in an internal staffing review process and for staffing activities delegated by the Deputy of the BC Public Service Agency.

Merit Commissioner — responsible for providing systemic oversight of the application of the merit principle in the BC public service and for providing a review of the application of merit as the final step in an internal staffing review process.

Corporate Overview — Office of the Merit Commissioner

Vision — A professional and non-partisan public service.

Mission — To serve the people of British Columbia and the Legislative Assembly by monitoring public service appointments to ensure application of the merit principle.

Principles — The Merit Commissioner will operate in a manner consistent with the following principles:

- Fairness and impartiality;
- Personal and managerial independence;
- Confidentiality;
- Accountability to the Legislative Assembly and British Columbians.

Key Responsibilities — To achieve our vision and meet our mandate, the Office of the Merit Commissioner will:

- Monitor the application of merit by conducting audits of public service appointments;
- Undertake special reports or "merit performance reviews" of system wide issues respecting the application of the merit principle;
- Prepare and distribute surveys to assess the attitude of public service employees towards the application of the merit principle in the public service;
- Report annually to the Legislative Assembly on the application of the merit principle in public service appointments;
- Provide a review of the application of merit as the final step in the staffing review process.

The Merit Principle in the Public Service

In the Merit Commissioner's first annual report for 2001/2002, a brief summary of the evolution of the merit principle was included. British Columbia was embarking on a strategy to renew and revitalize the public service. An important element of this renewal and revitalization was a strategy for the recruitment and selection of a professional, competent public service, including the development and implementation of a simplified merit-based staffing process. Its stated goal was to enhance the efficiency and effectiveness of the human resource system and its ability to attract and retain qualified employees.

The second annual report for 2002/2003 noted that a systematic review of Government's staffing policy and process had been completed, consistent with a commitment to fundamental values that are inherent in the public service as whole: impartiality, fairness, equitable treatment and transparency. It also noted that the Office of the Merit Commissioner would closely monitor the results of this work which would be of considerable interest.

This office has continued to monitor the progress of other governments also undertaking reviews of their public services and human resource management infrastructures. Of particular interest is the *Public Service Modernization Act* (Bill C-25) which revised the federal government *Public Service Employment Act*. This Bill redefined merit in the federal public service and established a framework to guide the decision making process when determining merit. Bill C-25 was passed by Parliament in the fall of 2003 and will come into force December 1, 2005.

There are many parallels between the federal government and the Government of British Columbia in both the direction of legislative change and the updating and renewal of related policies.

Over the past year, after a thorough review regarding the approach to applying merit in the context of modern day government in British Columbia, changes in the *Public Service Act* were proposed and passed, including changes to the system of appeal. The need for change was consistent with the development of a consolidated human resources organization and supportive of the concepts of shared service, cost efficiencies and levels of accountability for human resource management.

What is the Principle of Merit?

The Principle of Merit means that appointments are:

- **Non-partisan, i.e. based on a selection process that is free of bias of political party affiliation and bureaucratic patronage; and,**
- **Based on competence and ability to do the job.**

These changes came into effect December 1, 2003 and, while having little impact on the outcome of the audit process for the year 2003, they are worthy of note. The Office of the Merit Commissioner will have great interest in viewing any impact these changes will have on our merit compliance audit results on appointments made in the year 2004.

Year in Review

Merit Compliance Audits

The Audit Process

The Merit Commissioner legislation requires random audits of appointments to, and from within, the public service.

The audits assess:

a) whether the recruitment and selection processes were applied properly, resulting in appointments based on merit; and,
b) that the appointed individuals possess the required qualifications for the position.

The audit process is based on professional audit standards and methodology to ensure the necessary level of rigor and objectivity in assessing the application of merit. Accordingly, the Internal Audit and Advisory Branch of the Office of the Comptroller General was contracted to assist in designing and developing a program to review completed competition files. This program was used to conduct the 2003 audits, the results of which are contained in this 2003/2004 Annual Report. An overview of the audit process and program is appended. This overview can also be found on the Office of the Merit Commissioner website at www.prov.gov.bc.ca/meritcomm/.

To obtain an unbiased picture of the proper application of merit across the public service the appointments selected for audit are both random and representative. Appendix C is a current report of the "Random Selection of Cases for Merit Compliance Audits" for 2003.

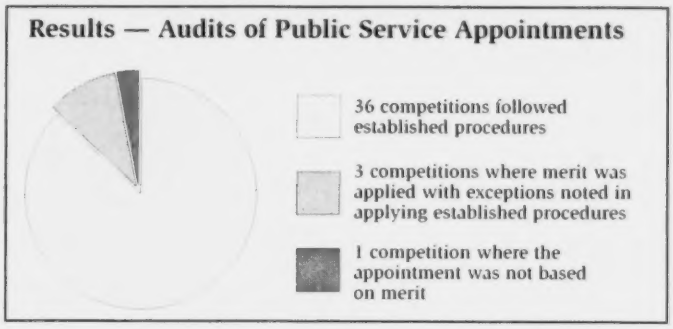
Audit Results

For the 2003 calendar year, 40 appointments in 20 ministries or agencies were audited. The results of these audits are included in this annual report for 2003/2004.

Of the 40 appointments audited, 77.5% were appointments of existing public servants and 22.5% were new hires to government. 75% of these competitions were restricted to existing public service employees and 25% were opportunities available to both public service employees and the public.

Of the 40 appointments audited, 39 appointments, or 97.5%, resulted in appointments based on merit.

At the completion of these audits, I concluded that 97.5% (39 appointments) resulted in appointments based on merit and 90% of the appointments (36 appointments) properly applied the established selection processes:


Results — Audits of Public Service Appointments
36 competitions followed established procedures
3 competitions where merit was applied with exceptions noted in applying established procedures
1 competition where the appointment was not based on merit

— 7.5% (three competitions) did not apply practices conducive to a selection based on merit. However, it could not be concluded that the resulting appointments in these competitions were not appointments based on merit.

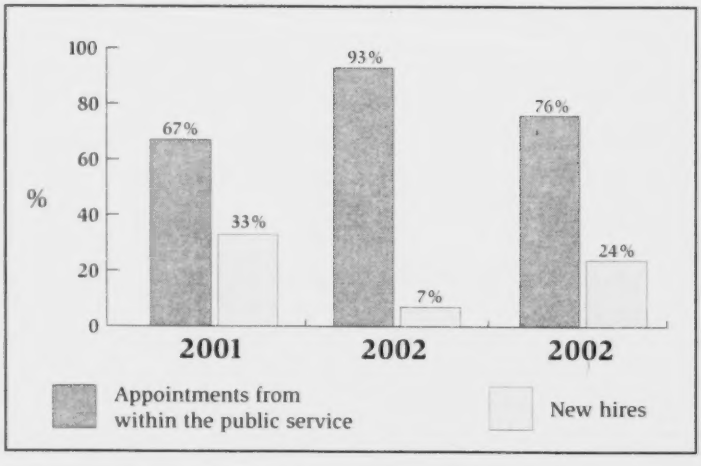
— 2.5% (one competition) did not correctly apply mandatory selection procedures to result in an appointment based on merit.

I found no evidence that any individuals identified in the audits were unqualified for the positions to which they were appointed or that the selection was based on patronage. Rather, my audits found, in the one competition where merit was not applied, that it was as a result of an administrative error.

Year to Year

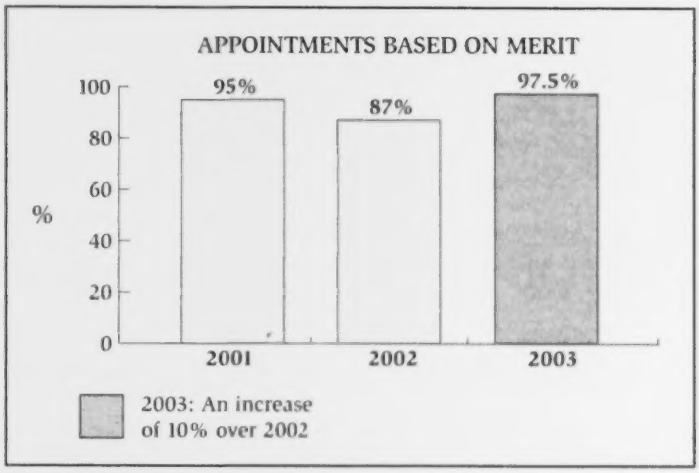
Comparisons 2001, 2002 and 2003

In 2003, there were 2772 appointments identified for random sampling. These appointments do not include Orders-In-Council (OIC's), transfers, auxiliary appointments and temporary appointments of less than seven months. This compares to 1835 appointments in 2002. As the Office of the Merit Commissioner was established in 2001, only a partial year for 2001 appointments (1481) was available for comparison. Although the total number of appointments for 2003 represents an increase of 937 or 51% over 2002, many of these appointments were, in fact, a result of some internal reorganizations.



New hires to government accounted for 24.2% of the appointments and 75.8% of the appointments were from within the public service. This is a change from 93% of the appointments of public servants in 2002 and 67% in 2001.

New hires to government accounted for only 7% of the appointments in 2002, and it is speculated that this was due to the government's workforce adjustment initiatives.



Victoria, as a location, continues to have the highest number of appointments (51.3%). This is consistent with 2002 (52.2%) and 2001 (44%).

One notable change is in the percentage of temporary appointments for longer than seven months. In 2003, only 10.3% of all appointments were temporary. This is a significant change from 2002 (30.6%) which likely reflected the after-effects of workforce adjustment initiatives.

As noted earlier in this report, in 97.5% of appointments audited for the purposes of this report, merit was found to have been applied. This compares to 87% in 2002 and 95% in 2001. While any non-compliance with merit is cause for concern, I am encouraged by the increase of merit compliance in the appointments audited.

Although a new approach to staffing has been introduced within government, there have been no substantive changes to the definition of merit or to the roles, responsibilities and accountabilities for ensuring merit is applied in making appointments. I cannot over-emphasize the continued importance of training to ensure the legislative requirements and accountabilities for merit-based recruitment are understood and applied by managers and supervisors throughout the public service.

Every selection process reviewed should meet the test of merit compliance. In order to achieve the public's confidence in government's hiring practices, full compliance must continue to be our priority.

Appendices

Appendix A — Assessing the Use of the Merit Principle: The Audit Process and the Audit Program

Appendix B — Copy of Merit Audit Program

Appendix C — Random Selection of Cases for Merit Compliance Audits – BC STATS Report

Appendix A

Assessing the Use of the Merit Principle:

The Audit Process and the Audit Program

1.0 INTRODUCTION:

1.1. What is the purpose of the merit principle?

The merit principle is designed to ensure that the best person is hired for a position. "Merit" means that appointments will be non-partisan and made on the basis of an assessment of competence and ability to do the job.

The *Public Service Act* requires that all appointments to and from within the public service be based on the principle of merit unless the appointment is specifically exempt.

1.2. Why audit completed job competitions?

In August 2001, amendments to the *Public Service Act* created the Office of the Merit Commissioner with the responsibility to monitor eligible public service appointments and report on whether the merit principle was properly applied. The legislation requires the use of random audits of appointments to and from within the public service to assess whether the appointments are based on merit and whether the individuals appointed possess the required qualifications for the position to which they were appointed. The use of an audit process brings rigour and objectivity to the assessment of whether merit was applied.

1.3. What is an audit?

An audit is an examination, which compares evidence of performance against predetermined criteria, with the goal of verifying and reporting the performance or results. The auditor is required to gather enough supporting and independent evidence in sufficient detail to support their conclusion. To ensure that files selected for audit are identified at random, the file selection process is done with the assistance of BC STATS using a mathematical sampling technique.

1.4. How will results from audits be reported?

The Merit Commissioner will report audit results to Deputy Ministers or other persons having overall responsibility for the ministries, boards, commissions, agencies or organizations audited.

An annual report will also be made to the Legislative Assembly. The report to the Legislative Assembly must not disclose:

- personal information, as defined in Schedule 1 of the *Freedom of Information and Protection of Privacy Act*, relating to individuals who applied for or were appointed to positions in the public service, or
- the identity of persons who participated on behalf of the ministries, boards, commissions, agencies or organizations, as the case may be, in the selection of the individuals appointed to positions in the public service.

1.5. What happens if an audit determines that the merit principle was not applied?

The Merit Commissioner will only review appointments after the recruitment and selection process has concluded.

The purpose of the audits is to determine and report on whether the merit principle was applied and whether the individuals, when appointed, possessed the required qualifications for the positions to which they were appointed. The audit results are provided to the head of the applicable ministry, agency, board or commission. The audit report will not comment on whether a competition process should be overturned in cases where the merit principle was not applied.

2.0 THE AUDIT PROGRAM

2.1. What is the audit program?

It is a step by step guide for the review of a competition file. By completing the audit program, an individual will systematically assess information on the file and any additional information provided by panel members or human resource consultants. This systematic review leads to a conclusion on whether the merit principle was applied and whether a person possessed the required qualifications for the position to which they were appointed.

2.2. What is the goal of the audit program?

The goal is to determine whether the actions taken in the competition process were reasonable and consistent with the use of the merit principle. The audit program only reviews information that is relevant to making a reasoned decision on whether merit was or was not applied.

2.3. What is the relation between the audit program and BC Public Service Agency policy?

The audit program is only concerned with the steps in the staffing process that are directly relevant to assessing whether the merit principle was applied.

There are certain BC Public Service Agency policies that are fundamental to ensuring a merit-based process. In addition, practice considerations and guiding principles are provided in a Practice Guideline called "Merit and Guiding Principles". This information is directly relevant to the review of the application of merit.

2.4. Does each step in the audit program have to be followed in sequence?

No. What matters is that all the sections of the audit program are completed before any conclusions are made about whether merit was or was not applied. The sequence of the program is designed to minimize the number of times that file documentation is handled. This makes it easier and less time consuming to complete the audit program.

2.5. Does the audit program allow for creativity in the selection process?

Yes. The program provides space for the auditor to describe the process followed and any exceptions. The audit considers whether all applicants were assessed against the mandatory selection criteria using a process that was fair and consistent. While it does not assume that all competition processes will be structured the same way, it does assume that competitions will have certain aspects in common. This includes but is not limited to: job descriptions; a statement of mandatory selection criteria; consistent and accurate job posting information; a consistently administered process that assesses candidates' experience, education, knowledge and skills in relation to (at a minimum) mandatory selection criteria, and clear and properly communicated selection decisions.

Applicants must be assessed and evaluated using a common standard. A staffing process that assesses applicants differently enough that one applicant is measurably disadvantaged relative to other applicants or assigns value to factors that are unrelated to competencies to perform the duties of the position, would not meet the test of fairness relative to merit.

Appendix B

Merit Audit Program

BRITISH COLUMBIA Ministry of Finance Internal Audit & Advisory Services

MEMORANDUM

December 4, 2001
File No.: 2247

To: Vince Collins
Merit Commissioner
Office of the Merit Commissioner

From: Dan Ho
Director, Operations
Ministry of Finance

Subject: Merit Audit Program

We have completed the development of the audit methodology for completed job competition files. We have attached the final merit audit program and draft outline for reports to ministries and the legislature.

The program addresses your audit responsibilities under the Public Service Act. Specifically:

"5.1 (1) The Merit Commissioner is responsible for monitoring the application of the merit principle under this Act by:

(a) conducting random audits of appointments to and from within the public service to assess whether:

- the recruitment and selection processes were properly applied to result in appointments based on merit, and
- the individuals when appointed possessed the required qualifications for the positions to which they were appointed, and

(b) reporting the audit results to the deputy ministers or other persons having overall responsibility for the ministries, boards, commissions, agencies or organizations, as the case may be, in which the appointments were made.

5.2 (1) The Merit Commissioner must report annually, no later than May 31, to the Legislative Assembly concerning the merit commissioner's activities under this Act since the last report was made under this section."

Our office developed the audit methodology with the assistance of your staff as well as input from a focus group comprised of human resource professionals and line managers from various ministries.

The specific steps included:

- developing and field testing a preliminary merit audit program;
- facilitating a focus group discussion on the audit program and process;
- revising the merit audit program based on feedback and field testing experience;
- training the Director, Audit and Compliance, Office of the Merit Commissioner in conducting merit audits; and
- carrying out a portion of the current year's merit audits with the Director, Audit and Compliance.

BC Stats also participated in the development of the program's sample selection and sampling methodology.

Office of the Merit Commissioner staff will conduct the audits. The issues encountered in each audit will require a significant degree of judgment to assess their impact on the application of the merit principle. The staff members conducting these audits must have extensive training and experience in the human resource field to deal with the subject area issues as well as knowledge of audit methods. Our office will continue to be available for consultation, advice and training. We recommend that a periodic quality assurance review be carried out on the program to ensure consistency and assess whether issues warrant adjustments to the program.

If the audit program is carried out as designed, we believe that the auditor will examine and obtain sufficient appropriate evidence to form and support an opinion on the application of merit. The results of these audits will allow the Merit Commissioner to reasonably conclude and report on whether:

- the recruitment and selection processes were properly applied to result in appointments based on merit, and
- the individuals when appointed possessed the required qualifications for the positions to which they were appointed.

Limitations:

The audit program is designed to gain reasonable assurance rather than absolute assurance over past events. The audit program is not designed to uncover collusion involving all panel members, a purposeful manipulation of competition file documents or determine the intent behind any misapplication of merit.

We would like to thank you and the Director, Audit and Compliance for your assistance in completing this assignment.

Dan Ho
Director, Operations
Ministry of Finance

Enclosures

COMPETITION # _____ Auditor's initial: Date:

OBTAIN THE ORIGINAL FILE FOR THE HIRING PROCESS UNDER REVIEW THEN COMPLETE THE FOLLOWING QUESTIONS

1. JOB DESCRIPTION	**Yes**	**No**
a) Is a job description on file?	☐	☐
b) Is there a statement of qualifications on file?	☐	☐

2. SCORE SUMMARIES

a) Is there a summary list of all applicants on file?	☐	☐
b) Is there a comparative summary showing the results of the screening process?	☐	☐

If yes, include summary with audit evidence. If no, please give details:

c) Is there a comparative summary of the scores — from every step of the process — for each candidate who passed **beyond** the screening process?	☐	☐

What evidence supports this finding? Include this evidence in the audit file.

3. POSTING INFORMATION

a) Is it clear from the web posting and any other posting information on file that applicants had access to information on the mandatory selection criteria?	☐	☐

What evidence supports this finding?

b) Do the posted selection criteria match the selection criteria attached to the job description?	☐	☐

If no, what are the specific differences?

c) Are the qualifications advertised in the posting reflective of the duties of the job description?	☐	☐

4. SCREENING PROCESS

a) Were all the applications received tracked and accounted for?	☐	☐

What evidence supports this finding?

COMPETITION # _____ Auditor's initial: Date:

4. SCREENING PROCESS (cont.) **Yes** **No**

b) Were all applicants screened according to the same **mandatory** criteria and process? ☐ ☐

What evidence supports this finding?

c) Were equivalencies acceptable? ☐ ☐

d) If yes, did the screening process take account of candidate's equivalencies? ☐ ☐

e) From the screening records on file: ☐ ☐

How many candidates met the mandatory criteria? _____

How many candidates did not meet the mandatory criteria? _____

f) Did the panel revise any screening criteria after the competition closed? ☐ ☐

If yes, please give details:

g) If candidates who met the **screening** criteria withdrew or were deselected by the panel before the next phase of the selection process, is there a reasonable basis for the decision? ☐ ☐

What evidence supports this finding?

5. Select a judgmental sample (suggest 5-15%) of the applications that were screened out and check whether any of these candidates met the mandatory criteria used for screening.

Findings:

COMPETITION # _____ Auditor's initial: Date:

To answer the following parts of the audit program, select the file documentation for the successful candidate(s) and all candidate(s) placed on any eligibility list, plus the highest ranked unsuccessful candidate and a candidate with a mid-range score.

6. TESTS, INTERVIEWS AND OTHER ASSESSMENTS

Yes **No**

a) COMPLETE THE ATTACHED AUDIT WORKSHEET (AWS).

b) When considered as a whole, have the tests, interviews and other assessments administered to candidates addressed all the mandatory selection criteria? ☐ ☐

What evidence supports this finding?

c) For all tests, interviews and other assessments, were there minimum acceptable standards (scores/ratings) to determine that a candidate met the mandatory criteria? ☐ ☐

What evidence supports this finding? (including panel notes)

d) Were all tests, interviews and other assessments scored consistently? ☐ ☐

What evidence supports this finding?

For example: — Compare scoring to the marking key
— Compare scoring between candidates

e) Do the test scores assigned to candidates match the scores on the final rating sheet? ☐ ☐

If no, give details of the discrepancies:

COMPETITION # _____ Auditor's initial: Date:

7. SELECTION DECISIONS	**Yes**	**No**
a) Did the panel correctly assign points for years of service? (if applicable)	☐	☐
Did any errors influence the final ranking of candidates?	☐	☐
b) Were reference checks done at some step in the hiring process for all candidates who were offered the position(s)?	☐	☐
c) Were the reference checks assessed consistently according to criteria relevant to the job?	☐	☐
What evidence supports this finding?		
d) Has any error in scoring tests, interviews, years of service calculations, or reference checks affected the outcome of the competition?	☐	☐

8. REFER TO THE DOCUMENTATION FOR THE SUCCESSFUL CANDIDATE(S) AND ANY CANDIDATES PLACED ON AN ELIGIBILITY LIST:

Does the file documentation confirm that each of these candidates:		
a) Applied for the job within the timeline for applications?	☐	☐
b) Were eligible applicants?	☐	☐
c) Were made an offer as per policy?	☐	☐
d) Where a candidate declined an offer, offers were made in order of eligibility?	☐	☐

If the answer is "no" for any of the above, please give details:

9. REGRET LETTERS		
a) Were regret letters sent to all candidates who should have received a regret letter?	☐	☐

COMPETITION # _____ Auditor's initial: Date:

10. APPEALS **Yes** **No**

a) Was the competition appealed? ☐ ☐

b) Was the appeal due to failure to apply the merit process? ☐ ☐

c) Was the appeal successful? ☐ ☐

11. CONCLUSIONS

a) Does the file documentation indicate that the merit principle was applied? ☐ ☐

What evidence supports this finding?

b) Does the file documentation indicate that the candidates who were offered the position had the required qualifications? ☐ ☐

What evidence supports this conclusion?

12. ANY FOLLOW-UP REQUIRED?

FOLLOW-UP

Date Completed

13. OTHER COMMENTS

Name of person(s) who completed this Audit Program

Judi Pringle, Auditor, Merit Compliance Program

Phone: 250 387-3908

Date:

COMPETITION # _____ Auditor's initial: Date:

AUDIT WORKSHEET (To be completed as part of Section 6 of the Audit Program)

(See reverse side for instructions)

MANDATORY SELECTION CRITERIA	ASSESSMENT PROCESS
PREFERRED SELECTION CRITERIA	ASSESSMENT PROCESS

AUDIT WORKSHEET — INSTRUCTIONS

1. In the left-hand column, list all the mandatory and preferred selection criteria from the web posting as well as any additional criteria listed in the statement of selection criteria attached to the formal job description. Place one criterion per line.

2. Review all tests, interviews, reference questions and other assessments used as part of the selection process. Determine how each of the mandatory selection criteria was assessed and place this information in the right-hand column next to the relevant mandatory criterion. If a specific selection criterion was missed by any tests, interviews, reference questions and other assessments enter "Not Assessed" in the right hand column next to that criterion.

   EXAMPLE: Here is a hypothetical statement of qualifications from a Job Posting:

   "Diploma, certificate or program completion in computer science and at least three years of related experience in business and systems analysis. Basic knowledge of computer systems design. Knowledge of relational database concepts. Excellent technical writing skills."

   Assume that the information in the job competition file shows that the panel used education (Diploma, certificate or program completion in computer science) as a basis for screening the applicants. The panel also used experience to screen applicants and later asked the preferred candidate's references about the preferred candidate's actual experience. The panel assessed "basic knowledge of computer systems design" in the oral interview and tested for "knowledge of relational database concepts" as part of a written test administered to all short-listed candidates. The panel did not test to determine whether each candidate had excellent technical writing skills and did not ask references whether the candidate possessed this skill.

Using the above example, the audit worksheet for this competition file would be completed as follows:

MANDATORY SELECTION CRITERIA	ASSESSMENT PROCESS
EDUCATION	
Diploma, certificate or program completion in computer science	Assessed during the Screening Process
EXPERIENCE	
At least three years of related experience in business and systems analysis	Assessed during the Screening Process Reference Check — Question(s) # _____
KNOWLEDGE	
Basic knowledge of computer systems design	Oral Interview — Question(s) # _____ Reference Check
Knowledge of relational database concepts	Written Test — Question(s) # _____
SKILLS	
Excellent technical writing skills	Not Assessed

Ministry Audit Report

I have conducted _____ random audits of _____ appointments to or from within the public service by the Ministry of _____ for the calendar year of 2003. This included a review of the documentation of _____ applicants to assess whether the recruitment and selection processes were properly applied to result in appointments based on merit and that the individuals appointed possessed the required qualifications for the positions.

Based on my audits:

☐ I conclude that the merit principle was duly applied in _____ appointments.

☐ I conclude that the merit principle was applied with some exceptions as noted below.

☒ I cannot determine whether the merit principle was duly applied.

☐ I conclude that the merit principle was not duly applied.

Comments:

_____

_____

_____

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_____ _____

Signed Date

Appendix C

Random Selection of Cases for Merit Compliance Audits

Random Selection for Merit Compliance Audits

Prepared by BC STATS for the
Office of the Merit Commissioner

March
2004

BRITISH COLUMBIA

Ministry of
Management Services

BACKGROUND

The Office of the Merit Commissioner was established by legislation in August 2001. Under this legislation, the Merit Commissioner is responsible for performing audits of public service appointments, as part of a program of monitoring the application of the merit principle across government. The results of audits will be reported to senior management in ministries and other organizations covered by the *Public Service Act*. In aggregate, the results will also be communicated to the Legislature as part of the annual report of the Commissioner.

The audits are designed to assess whether recruitment and selection practices have resulted in appointments based on merit, and whether individuals possess the required qualifications for the position to which they were appointed. This requires a close study of the details of each appointment by an expert in the staffing process.

BC STATS has undertaken to ensure that the selected cases are both random and representative. This paper describes the appointments that have taken place in the past year, and explains the method that was used to make an audit selection from these appointments.

APPOINTMENTS 2003

Appointments were selected based on the 2003 calendar year. In 2003, according to the query parameters as established by the Office of the Merit Commissioner, 2810 appointments were made. Examination of the query by BC STATS revealed a number of duplicate records. The Public Service Agency confirmed this and 38 records were removed from the query, leaving 2772 appointments. Order-in-Council (OIC), transfers, auxiliary appointments, and temporary appointments of less than seven months are not covered in this study.

These 2772 appointments spanned 170 job titles in 29 ministries and organizations covered by the *Public Service Act*. The most common job titles were "Management Level 03" and "Management Level 04" with 202 and 185 appointments respectively. In fact, there were 791 Management Level appointments in 2003 (29% of all appointments).

Ministries with the highest number of appointments, collectively comprising 55% of all 2003 appointments include:

- Management Services incl. the Public Service Agency (16.4%),
- Public Safety & Solicitor-General (13.4%),
- Attorney-General & Treaty Negotiations Office (10.0%),
- Children & Family Development (7.8%), and
- Human Resources (7.3%).

Fifty-one percent (51%) of appointments occurred in Victoria in 2003.

RANDOM SELECTION OF CASES

The objective of the Merit Commissioner study is to sample all new appointments in order to obtain an unbiased picture of recruitment practices in the public service. This objective requires a random sample to effectively and efficiently monitor application of the merit principle in public service recruitment.

Within the objective of selecting a random sample, it is also important to ensure that the sample is representative of the actual population. Appointments can be categorized by classification, ministry or organization, location, ministry size, whether permanent or temporary exceeding seven months, and by whether employees are new hires or

internal. See the section entitled "Distribution of Audits" for comparisons of all 2003 appointments and the sample selection.

The number of audits that can be performed in respect to the time available this year is approximately 40. As a result of this relatively small number, it is impossible to guarantee that all of the various categories of appointments can be matched from the audit selection methodology to the actual population. Consequently, three categories were selected as being of greatest importance:

- Ministry size (large or small),
- Appointment status (direct appointment, permanent or temporary exceeding seven months), and
- Employee type (new hire or internal hire).

Ministry size was based on total regular employment at the start of the study period. Ministries with 1000 or more employees were deemed large; ministries with less than 1000 employees were deemed small.

A 2x3x2 matrix was built to reflect the number of possibilities in each of the above three categories, providing us with 12 "cells" into which appointments can be sorted. However, there were no temporary appointments from outside the public service, which eliminated 2 of the cells. Also, there were so few direct appointments made that they were collapsed from four cells into a single cell. This left 7 cells.

To select the cases for audit, each of the 2772 appointments was allocated to one of the seven cells. The number of audits within each cell was calculated as the overall selection ratio of (37/2772) multiplied by the number of cases in the cell. The result of this calculation was rounded up to the next single digit (e.g. 5.25 = 6). This number of cases was then obtained from each cell by sorting in a purely random order and selecting the required number sequentially.

In summary, random sampling was used to ensure broadly based auditing of all appointments. Sampling independently in the abovementioned categories ensures correct proportional coverage of:

- large and small ministries,
- permanent, temporary and direct appointments, and
- new hires versus internal appointments.

As a result, the chance of audit is virtually identical for each and every appointment, while the correct proportion of audits remains guaranteed in the most important categories.

DISTRIBUTION OF AUDITS

The following four tables show how the audits are distributed according to various characteristics of appointments. The first three tables cover the categories that were used in sample stratification, the final table referring to a characteristic that was not explicitly controlled. In all cases, percentages were rounded to the first decimal place, and sum to 100%. Due to the size of the sample, the movement of even a single audit from one category to another can change the sample percentages significantly. However, the match between the sample percentages and the corresponding percentages among all appointments is quite close, indicating that the sample is reasonably representative of the whole.

Audits by Ministry Size

Ministry	Percent of all appointments	Number of Audits	Percent of all Audits
Large	**65.4%**	25	62.5%
Small	**34.6%**	15	37.5%

Audits by Appointment Status

Ministry	Percent of all appointments	Number of Audits	Percent of all Audits
Direct App.	3.5%	2	5.0%
Temporary	10.3%	5	12.5%
Permanent	86.2%	33	82.5%

Audits by Employee Type

Ministry	Percent of all appointments	Number of Audits	Percent of all Audits
New Hire	24.2%	9	22.5%
Internal	75.8%	31	77.5%

Audits by Location

Ministry	Percent of all appointments	Number of Audits	Percent of all Audits
Victoria	51.3%	23	57.5%
Other	48.7%	17	42.5%

USES AND LIMITATION OF AUDIT RESULTS

The appointments selected for audit are a random and reasonably representative sample of all appointments in 2003—the audit selection is unbiased in regards to the sampling framework. However, this sample is not necessarily generalizeable due to the small size and the possibility of chance.

This means that should the audit process uncover any problems with the way appointments are awarded, this sample should not be used to attribute the same proportion of problems onto the actual population. For example, if the audit process discovers problems with 30% of appointment awards, one cannot necessarily say that 30% of the appointments in the actual population will be problematic.

However, if the audit process discovers that there are no significant problems with the way appointments are awarded, then it is reasonable to conclude that there are very few problematic appointments in the actual population.

In other words, this sample is unbiased and representative of the actual population, but if problematic appointments are found, a larger sample size would be necessary to determine the actual number of problematic appointments in the overall population.

POSTSCRIPT

Subsequent to the delivery of the sample to the Office of the Merit Commissioner, it was discovered that a number (approximately 220) of the appointments included in the query should have been excluded. This occurred because of a consistent coding error at the point of data entry. In particular, staff who formerly worked for ICBC as Motor Vehicle Inspectors (and related) were moved on April 1st, 2003 into the Ministry of Public Safety & Solicitor General. As this was a straight transfer of staff between a crown corporation and ministry as part of government's overall restructuring, these appointments should have been excluded from the original query. There is no doubt that removing this number of records (7.8% of all records) would have changed the distribution of audits between the categories.

However, since the audit process involves both sampling (done centrally) followed by a request for the actual case files from the ministries, it was impractical to stop the process of gathering those case files which was already under way. In order to correct for this, four appointments incorrectly included in the original sample were removed and the next four appointments in the sequence for that cell were substituted.